

CITY OF WESTMORELAND, KANSAS

FINANCIAL STATEMENT

**FOR THE YEAR ENDED
DECEMBER 31, 2016**

CITY OF WESTMORELAND, KANSAS

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Westmoreland, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Westmoreland, Kansas, as of and for the year ended December 31, 2016 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide (KMAAG) as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the KMAAG. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Westmoreland on the basis of the financial reporting provisions of the KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Westmoreland as of December 31, 2016, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Westmoreland as of December 31, 2016, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the KMAAG described in Note 1.

Other Matters - Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the KMAAG. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

James Gordon & Associates

James Gordon & Associates CPA, P.A.
July 28, 2017



CITY OF WESTMORELAND, KANSAS
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2016

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Government Type Funds:						
General Fund	\$ 80,468	\$ 396,478	\$ 393,004	\$ 83,942	\$ 9,259	\$ 93,201
Special Purpose Funds:						
Employee Benefits Fund	1,885	44,749	44,000	2,634	7,479	10,113
Special Highway Fund	8,237	20,575	12,026	16,786	-	16,786
Street Improvement Fund	10,196	24,530	27,993	6,733	59	6,792
Bond and Interest Fund	52,560	820,765	793,128	80,197	-	80,197
Business Fund	111,514	346,051	312,847	144,718	2,790	147,508
Total	<u>\$ 264,860</u>	<u>\$ 1,653,148</u>	<u>\$ 1,582,998</u>	<u>\$ 335,010</u>	<u>\$ 19,587</u>	<u>\$ 354,597</u>
Composition of Cash:						
NOW Account					\$	252,436
Money Market Account						81,274
Certificate of Deposit						20,887
Total Cash					\$	<u>354,597</u>

The notes to the financial statement are an integral part of this statement.

CITY OF WESTMORELAND, KANSAS

NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2016

Note 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Westmoreland, Kansas (the Municipality), is a municipal corporation governed by an elected five-member council plus a mayor. This financial statement presents the Municipality.

Regulatory Basis Fund Types

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds - used to account for the proceeds of special tax levies and other specific regulatory receipt sources (other than tax levies for long-term debt) that are intended for specific purposes.

Bond and Interest Fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Business Fund - funds financed in whole or in part by fees charged to users of the goods or services (i.e. utilities).

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The Municipality has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

CITY OF WESTMORELAND, KANSAS

NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2016

Note 1 - Summary of Significant Accounting Policies, Continued

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budget amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

Qualified budget credits are positive adjustments that prevent certain expenditures from creating indebtedness in a fund. All budget adjustments must be authorized by Kansas statute. As authorized by KSA 79-2935, a qualified budget credit adjustment of \$715,000 in the bond and interest fund can be found on Schedules 1 and 2 relating to the refunding of previously outstanding bonds through the Municipality's issuance of Series 2016 refunding bonds.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the Municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

CITY OF WESTMORELAND, KANSAS

NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2016

Note 2 - Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the Municipality. The statute requires banks eligible to hold the Municipality's funds have a main or branch bank in the county in which the Municipality is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The Municipality has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Municipality's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The Municipality has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the Municipality may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the Municipality's deposits may not be returned to it. State statutes require the Municipality's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The Municipality has not designated any "peak periods". All deposits were legally secured at December 31, 2016.

At December 31, 2016, the Municipality's carrying amount of deposits was \$354,597 and the bank balance was \$379,206. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance, and \$129,206 was collateralized with securities held by the pledging financial institutions' agents in the Municipality's name. The pledged securities are held under a tri-party custodial agreement signed by all three parties; the Municipality, the pledging bank, and the independent third-party bank holding the pledged securities.

CITY OF WESTMORELAND, KANSAS

NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2016

Note 3 - Property Taxes

In accordance with governing State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar-year basis and are levied and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half of the full amount of taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes levied and collected in the year prior to January 1st of the ensuing year.

Note 4 – Long-Term Debt

On September 29, 2016, the Municipality issued \$715,000 in general obligation refunding bonds – Series 2016 with interest rates ranging from 2.00% to 3.55% to advance refund Series 2002-A, Series 2002-B, Series 2007-A, Series 2009, and Series 2011-A bonds. The Series 2016 bonds will mature on October 1, 2036. As a result of advanced refunding, the Municipality reduced its total debt service requirements by \$182,353. The economic gain (difference between the present value of the debt service payments on the old and new debt) was \$62,544.

CITY OF WESTMORELAND, KANSAS

NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2016

Note 4 – Long-Term Debt, Continued

Changes in long-term debt for the Municipality for the year ended December 31, 2016 were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance		Reductions/ Payments	Balance	
					Beginning of Year	Additions		End of Year	Interest Paid
General Obligation Bonds:									
Series 2002-A	4.75%	3/18/2002	\$ 290,000	3/18/2042	\$ 251,000	\$ -	\$ 251,000	\$ -	\$ 18,197
Series 2002-B (*)	4.45%-5.00%	12/1/2002	140,000	12/1/2018	30,000	-	30,000	-	1,201
Series 2007-A	3.9%-4.45%	9/15/2007	150,000	10/1/2027	110,000	-	110,000	-	9,485
Series 2009	4.38%	5/22/2009	236,000	5/22/2049	220,788	-	220,788	-	13,079
Series 2011-A	3.50%	5/12/2011	122,000	10/1/2021	80,000	-	80,000	-	2,800
Series 2016	2.00% - 3.55%	9/29/2016	715,000	10/1/2036	-	715,000	-	715,000	-
Notes Payable:									
Kansas Department of Health & Environment Loan									
	2.58%	10/6/2005	567,670	3/1/2027	317,233	-	24,025	293,208	8,031
Lease-Purchase Agreement:									
Fire Truck	4.25%	1/22/2010	50,000	1/22/2017	15,802	-	7,737	8,065	672
Skid Loader	3.20%	8/1/2013	20,000	8/1/2018	12,376	-	3,995	8,381	397
Total Long-Term Debt					\$ 1,037,199	\$ 715,000	\$ 727,545	\$ 1,024,654	\$ 53,862

(*) To be paid with special assessments.

CITY OF WESTMORELAND, KANSAS

NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2016

Note 4 - Long-Term Debt, Continued

Current maturities of long-term debt and interest for the next five years and in five-year increments through maturity are as follows:

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022-2026</u>	<u>Thereafter</u>	<u>Total</u>
Principal:								
General Obligation Bonds	\$ 40,000	\$ 60,000	\$ 60,000	\$ 50,000	\$ 50,000	\$ 170,000	\$ 285,000	\$ 715,000
Notes Payable	24,649	25,289	25,946	26,620	27,311	147,568	15,825	293,208
Lease-Purchase Agreement	12,189	4,257	-	-	-	-	-	16,446
Total Principal	76,838	89,546	85,946	76,620	77,311	317,568	300,825	1,024,654
Interest:								
General Obligation Bonds	18,736	17,833	16,633	15,433	14,433	60,148	54,575	197,791
Notes Payable	7,407	6,767	6,110	5,436	4,745	12,712	205	43,382
Lease-Purchase Agreement	612	136	-	-	-	-	-	748
Total Interest	26,755	24,736	22,743	20,869	19,178	72,860	54,780	241,921
Total Principal and Interest	\$ 103,593	\$ 114,282	\$ 108,689	\$ 97,489	\$ 96,489	\$ 390,428	\$ 355,605	\$ 1,266,575

CITY OF WESTMORELAND, KANSAS

NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2016

Note 5 – Inter-fund Transfers

The following operating transfers were made for the year 2016:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
Business Fund	Bond & Interest Fund	K.S.A. 12-825d	\$66,577

Note 6 – Compensated Absences

The Municipality adopted a Personal Leave Time (PLT) policy that is available to all full-time employees in lieu of vacation leave, sick leave, and funeral leave.

PLT time is accrued each year based on the following schedule:

<u>Years of Service</u>	<u>Hours Accrued Per Pay Period</u>	<u>Maximum Accumulation Amount (Hours)</u>	<u>Maximum PLT end-of-year carryover</u>
Less than 10 years	8 hours	200 hours	200 hours
10 years or more	8 hours	320 hours	320 hours

A new employee does not begin to receive PLT credit until they have successfully completed their introductory/probationary period. Any time away from work prior to receiving PLT credit is considered time without pay.

Extended Sick Leave (ESL) is a part of the PLT program, which may be used for extended illness, injury, disability, hospitalization, or other qualifying event under the Family and Medical Leave Act (FMLA). At December 31 of each year, hours in excess of the “Maximum Accumulation Amount” above shall be moved to an ESL account. The maximum accumulation in an employee’s ESL account is 240 hours. Any hours in excess thereof shall be lost.

Upon resignation or termination of employment, a qualifying employee shall be paid for all accrued PLT time, subject to Maximum Accumulation Amount set out above. The employee shall not receive any payment for any accumulated balance in the ESL account.

As of December 31, 2016, the accumulated PLT time due was \$3,441.

CITY OF WESTMORELAND, KANSAS

NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2016

Note 7 – Defined Benefit Pension Plan

General Information about the Pension Plan

Plan description. The Municipality participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate through March 31, 2016 with a 0% moratorium until June 30, 2017 for the Death and Disability Program) and the statutory contribution rate was 9.18% for the fiscal year ended December 31, 2016. Contributions to the pension plan from the Municipality were \$19,106 for KPERS for the year ended December 31, 2016.

CITY OF WESTMORELAND, KANSAS

NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2016

Note 7 – Defined Benefit Pension Plan , Continued

Net Pension Liability

At December 31, 2016, the Municipality's proportionate share of the collective net pension liability reported by KPERS was \$105,894. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015, which was rolled forward to June 30, 2016. The Municipality's proportion of the net pension liability was based on the ratio of the Municipality's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the website at www.kpers.org or can be obtained as described above.

Note 8 – Risk Management

The Municipality is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the last three fiscal years.

Note 9 - Reimbursements

The Municipality records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis accounting.

Note 10 – Water System Improvements

In 2002, a water delivery system project began in association with Pottawatomie County Rural Water District #4 (RWD #4). As part of this arrangement, the Municipality is committed, under a 40 year contract with RWD #4, to pay debt service and water supply charges of approximately \$70,000 a year.

During 2016, the municipality paid \$120,212 in debt service and water supply charges out of the Business Fund.

CITY OF WESTMORELAND, KANSAS

NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2016

Note 11 – Conduit Debt Obligations

In 2006, the Municipality issued bonds on behalf of Westy Community Home Care, Inc. in the amount of \$2,000,000. The proceeds of these bonds were used by Westy Community Home Care, Inc. for facility additions. The bonds require payments equal to principal and interest payments over the term of the bonds. Westy Community Home Care, Inc. will finance these payments through rental payments to the Municipality, paid directly to the Trustee, Security Bank of Kansas City, over the next 20 years.

On December 22, 2011 the Municipality issued Health Care Facilities Refunding Revenue Bonds, Series 2011 to provide funds to pay the costs of refunding the Series 2006 Bonds. \$1,785,000 of remaining debt was paid to close the 2006 bonds.

The series 2011 bonds were issued in the amount of \$1,650,000. The bonds are secured by Westy Community Care Home, Inc., pursuant to Kansas Statute 12-1740, the Municipality has no obligation for the debt beyond the resources provided by the lease payments indicated above. The lease requires monthly payments sufficient to retire the bonds principal. The outstanding balance as of December 31, 2016 was \$1,110,000.

Note 12 – Subsequent Events

In preparing this financial statement, the Municipality has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditor's report, which is the date the financial statement was available to be issued.

Subsequent to year end, the Municipality was authorized to execute a loan agreement through the Kansas Department of Health and Environment for the purpose of financing a wastewater treatment project. The loan shall not exceed \$468,596, and will have an interest rate of 1.81%.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF WESTMORELAND, KANSAS
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance- Over (Under)
Government Type Funds:					
General Fund	\$ 478,200	\$ -	\$ 478,200	\$ 393,004	\$ (85,196)
Special Purpose Funds:					
Employee Benefits Fund	44,000	-	44,000	44,000	-
Special Highway Fund	31,000	-	31,000	12,026	(18,974)
Street Improvement Fund	44,000	-	44,000	27,993	(16,007)
Bond and Interest Fund	155,130	715,000	870,130	793,128	(77,002)
Business Fund	364,077	-	364,077	312,847	(51,230)

See the independent auditor's report on regulatory-required supplementary information.

CITY OF WESTMORELAND, KANSAS
 General Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016

	Actual	Budget	Variance- Over (Under)
Cash Receipts:			
Taxes and Shared Revenue:			
Ad Valorem Tax	\$ 105,351	\$ 107,535	\$ (2,184)
Delinquent Tax	1,285	-	1,285
Motor Vehicle Tax	14,248	14,070	178
Recreational Vehicle Tax	302	199	103
16/20M Vehicle Tax	68	83	(15)
Commercial Vehicle Tax	1,795	-	1,795
Watercraft Tax	89	94	(5)
County Sales Tax	124,871	116,000	8,871
City/Local Sales Tax	61,022	53,000	8,022
Franchise Tax	26,978	21,000	5,978
Pool Revenue	18,383	15,500	2,883
RV Park	5,228	5,000	228
Miscellaneous	7,096	-	7,096
Interest on Idle Funds	679	-	679
Cemetery	2,438	2,500	(62)
Reimbursements	9,846	2,500	7,346
Permits and Licenses	775	600	175
Dog Tags	1,084	500	584
Donations	14,940	-	14,940
	<u>396,478</u>	<u>\$ 338,581</u>	<u>\$ 57,897</u>
Total Cash Receipts			

CITY OF WESTMORELAND, KANSAS
General Fund, Continued
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	Actual	Budget	Variance- Over (Under)
Expenditures:			
G/A - Personal Services	\$ 94,847	\$ 110,000	\$ (15,153)
G/A - Contractual Services	135,751	100,000	35,751
G/A - Commodities	34,246	40,000	(5,754)
G/A - Miscellaneous	11,833	8,000	3,833
G/A - Capital Outlay	8,925	143,200	(134,275)
Pool	54,936	42,000	12,936
Fire - Contractual Services	11,033	10,000	1,033
Fire - Commodities	3,633	8,500	(4,867)
Fire - Capital Outlay	8,408	4,000	4,408
Street Lighting - Contractual Services	-	500	(500)
Street - Commodities	2,147	-	2,147
Cemetery - Contractual Services	2,398	1,000	1,398
Cemetery - Commodities	12,178	1,000	11,178
Cemetery - Capital Outlay	7,850	500	7,350
Library - Contractual Services	-	1,000	(1,000)
RV Park	4,819	7,500	(2,681)
Contributions	-	1,000	(1,000)
	<u>393,004</u>	<u>\$ 478,200</u>	<u>\$ (85,196)</u>
Total Expenditures			
Cash Receipts Over (Under) Expenditures	3,474		
Unencumbered Cash, Beginning	<u>80,468</u>		
Unencumbered Cash, Ending	<u>\$ 83,942</u>		

See the independent auditor's report on regulatory-required supplemental information.

CITY OF WESTMORELAND, KANSAS
Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	Actual	Budget	Variance- Over (Under)
Cash Receipts:			
Taxes and Shared Revenue:			
Ad Valorem Tax	\$ 37,740	\$ 38,539	\$ (799)
Delinquent Tax	425	-	425
Motor Vehicle Tax	4,717	4,674	43
Recreational Vehicle Tax	100	66	34
16/20 M Vehicle Tax	22	28	(6)
Commercial Vehicle Tax	596	-	596
Watercraft Tax	29	31	(2)
Miscellaneous	1,120	-	1,120
Total Cash Receipts	<u>44,749</u>	<u>\$ 43,338</u>	<u>\$ 1,411</u>
Expenditures:			
Payroll Taxes	13,390	\$ 16,000	\$ (2,610)
Health Insurance	16,653	16,000	653
KPERS	11,346	12,000	(654)
Miscellaneous	2,611	-	2,611
Total Expenditures	<u>44,000</u>	<u>\$ 44,000</u>	<u>\$ -</u>
Cash Receipts Over (Under) Expenditures	749		
Unencumbered Cash, Beginning	<u>1,885</u>		
Unencumbered Cash, Ending	<u>\$ 2,634</u>		

See the independent auditor's report on regulatory-required supplemental information.

CITY OF WESTMORELAND, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	Actual	Budget	Variance- Over (Under)
Cash Receipts:			
State of Kansas Gas Tax	\$ 20,575	\$ 20,360	\$ 215
Total Cash Receipts	<u>20,575</u>	<u>\$ 20,360</u>	<u>\$ 215</u>
Expenditures:			
Contractual Services	7,088	\$ 30,000	\$ (22,912)
Commodities	<u>4,938</u>	<u>1,000</u>	<u>3,938</u>
Total Expenditures	<u>12,026</u>	<u>\$ 31,000</u>	<u>\$ (18,974)</u>
Cash Receipts Over (Under) Expenditures	8,549		
Unencumbered Cash, Beginning	<u>8,237</u>		
Unencumbered Cash, Ending	<u>\$ 16,786</u>		

See the independent auditor's report on regulatory-required supplemental information.

CITY OF WESTMORELAND, KANSAS
Street Improvement Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	Actual	Budget	Variance- Over (Under)
Cash Receipts:			
Taxes and Shared Revenue:			
Ad Valorem Tax	\$ 21,211	\$ 21,665	\$ (454)
Delinquent Tax	254	-	254
Motor Vehicle Tax	2,662	2,470	192
Recreational Vehicle Tax	55	35	20
16/20 M Vehicle Tax	15	15	-
Commercial Vehicle Tax	318	-	318
Watercraft Tax	15	17	(2)
Total Cash Receipts	<u>24,530</u>	<u>\$ 24,202</u>	<u>\$ 328</u>
Expenditures:			
Contractual Services	-	\$ 6,000	\$ (6,000)
Commodities	27,993	35,000	(7,007)
Capital Outlay	<u>-</u>	<u>3,000</u>	<u>(3,000)</u>
Total Expenditures	<u>27,993</u>	<u>\$ 44,000</u>	<u>\$ (16,007)</u>
Cash Receipts Over (Under) Expenditures	(3,463)		
Unencumbered Cash, Beginning	<u>10,196</u>		
Unencumbered Cash, Ending	<u>\$ 6,733</u>		

See the independent auditor's report on regulatory-required supplemental information.

CITY OF WESTMORELAND, KANSAS
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	Actual	Budget	Variance- Over (Under)
Cash Receipts:			
Special Assessments	\$ 24,411	\$ 21,275	\$ 3,136
Bond Proceeds	715,000	-	715,000
Ad Valorem Tax	12,544	12,800	(256)
Delinquent Tax	163	-	163
Motor Vehicle Tax	1,789	1,742	47
Recreational Vehicle Tax	38	25	13
16/20 Vehicle Tax	9	10	(1)
Commercial Vehicle Tax	223	-	223
Watercraft Tax	11	12	(1)
Transfers From Business Fund	66,577	66,577	-
	<u>820,765</u>	<u>\$ 102,441</u>	<u>\$ 718,324</u>
Total Cash Receipts			
Expenditures:			
Bond Principal	691,787	\$ 32,938	\$ 658,849
Bond Interest	44,762	30,657	14,105
KDHE Loan Principal	24,025	24,025	-
KDHE Loan Interest	8,031	8,031	-
Cost of Bond Issuance	24,523	-	24,523
Cash Basis Reserve	-	59,479	(59,479)
Adjustment for Qualifying Budget Credits	-	715,000	(715,000)
	<u>793,128</u>	<u>\$ 870,130</u>	<u>\$ (77,002)</u>
Total Expenditures			
Cash Receipts Over (Under) Expenditures	27,637		
Unencumbered Cash, Beginning	<u>52,560</u>		
Unencumbered Cash, Ending	<u>\$ 80,197</u>		

See the independent auditor's report on regulatory-required supplemental information.

CITY OF WESTMORELAND, KANSAS
Business Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	Actual	Budget	Variance- Over (Under)
Cash Receipts:			
User Fees	\$ 333,439	\$ 353,240	\$ (19,801)
Taps	1,000	8,000	(7,000)
Hook-ups	4,050	3,000	1,050
Reconnect Fees	1,642	400	1,242
Reimbursements	-	120	(120)
Late Charges	5,350	100	5,250
Miscellaneous	120	100	20
Transfer Fees	450	-	450
	<u>346,051</u>	<u>\$ 364,960</u>	<u>\$ (18,909)</u>
Total Cash Receipts			
Expenditures:			
Personal Services	43,194	\$ 67,000	\$ (23,806)
Contractual Services	181,987	142,000	39,987
Commodities	8,992	34,000	(25,008)
Capital Outlay	-	50,000	(50,000)
Non-Operating Sales Tax	9,086	4,500	4,586
Miscellaneous	3,011	-	3,011
Transfer to Bond & Interest Fund	66,577	66,577	-
	<u>312,847</u>	<u>\$ 364,077</u>	<u>\$ (51,230)</u>
Total Expenditures			
Cash Receipts Over (Under) Expenditures	33,204		
Unencumbered Cash, Beginning	<u>111,514</u>		
Unencumbered Cash, Ending	<u>\$ 144,718</u>		

See the independent auditor's report on regulatory-required supplemental information.